Fish landing centre in Karnataka

*652. SHRI JANARDHANA POOJARY: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government had accorded approval for construction of a fish landing centre at Kodibengre in Karnataka;

(b) if so, what are the details in this regard;

(c) whether it is a fact that the Karnataka Government has intimated the revised estimated cost of construction of the fish landing centre and has requested for releasing the 1st instalment of the revised cost; and

(d) if so, what are the details in this regard and the reaction of Government thereto?

THE MINISTER OF AGRICULTURE (SHRI AJIT SINGH): (a) and (b) Yes, Sir. The Government of India had accorded the approval to the proposal of the Government of Karnataka for construction of fish landing centre at Kodibengre at a total cost of Rs. 55.50 lakhs in March, 1993 under the Centrally Sponsored Scheme on fishing harbour facilities at major and minor ports with 50% grant assistance. The first instalment of central share amounting to Rs. 8.00 lakhs was released in March 1993 and second Instalment of Rs. 19.75 lakhs in March 1995. This entire central share of Rs. 27.75 lakhs was released to the State Government for completion of the project by 1995 itself. The terms and conditions under which the project approved are at Statement -I *(See* below) and details of the items and their cost approved by Government of India are at Statement-II.

(c) and (d) Yes, Sir. The Government of Karnataka first submitted a Revised Cost Estimate (RCE) proposal with cost escalation from Rs. 55.50 lakhs to Rs. 111.00 lakhs in August, 1998 and again second RCE proposal for Rs. 191.00 lakhs in July, 2001.

The main reasons attributed by the Government of Karnataka for time and cost over run are; (i) Non-availability of Government land for development of the fish landing centre, due to which an area

100m x 50m is proposed for reclamation, (ii) changes in design of foundation of auction hall, (iii) addition of new items of work.

The justifications furnished for time and cost overrun are not acceptable by the Union Government. The State Government has also not consulted the Central Government for approval of the deviation proposed in the original plan of construction. As per the terms and conditions of sanctioning of the project *vide* item No. (iii) of Annexure-I, any escalation in the cost of the project is to be borne by the State Government. Further, as per the approved provisions of the Centrally Sponsored Scheme, cost escalation in a project will be permitted only under two circumstances *viz.* (i) time overrun on account of natural calamities such as cyclone etc. (ii) disputes over contractual works in a court of Law.

Under these circumstances the RCE proposal of Government of Karnataka has not been considered for approval by the Government of India.

Statement-I

The terms and conditions under which the proposal of Government of Karnataka for construction of fish landing centre at Kodibengre was approved by Government of India

(i) The Government of Karnataka will carryout the construction works in accordance with the plans and layout approved by Government of India.

(ii) The Government of Karnataka will ensure, completion of the project within 24 months from the date of issue of the administrative approval.

(iii) The construction cost will be accommodated within the sanctioned amount. Cost escalation, if any, over and above the sanctioned cost estimated will have to be fully borne by Government of Karnataka.

(iv) The State Government will make adequate arrangements for the utilization of the facilities and maintenance of fishery jetties.

(v) The Government of Karnataka will furnish the progress reports every month indicating the items of expenditure estimated quantum of work and actual progress in the month and progressive total both in respect of financial and physical targets.

Statement-II

Details of the items and their costs approved by Government of India for construction of fish landing centre at Kodibengre in Karnataka

Sl.No.	Description of the item	Amount (in Rs.)
1.	Quay of 100m length	202000.00
2.	Dredging	501000.00
3.	Protection works	500000.00
4.	Auction hall	1050000.00
5.	Reclamation	500000.00
6.	Electricity lighting arrangements	100000.00
7.	Approach road	150000.00
8.	Compound wall	250000.00
9.	Pre-investigation works(survey & Sub-Soil)	200000.00
10.	Contingencies and work charges establishment	279000.00
	TOTAL:	5550000.00